

CLASSIFICATION ~~CONFIDENTIAL~~
Approved For Release 2003/08/11 : CIA-RDP82-00457R002700210007-6
CENTRAL INTELLIGENCE AGENCY REPORT NO.

INFORMATION REPORT

CD NO. 25X1

COUNTRY Germany (Russian Zone)

SUBJECT Steel Situation in the Russian Zone MAY

DATE DISTR. 6 MAY 1949

NO. OF PAGES 1

PLACE
ACQUIRED

CONFIDENTIAL

NO. OF ENCLS.
(LISTED BELOW)

DATE OF INFO.

25X1

25X1

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT 50 U.S.C., 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

25X1

1. The quality of the steel produced at the Maxhütte has deteriorated. Customers have complained that steel beams produced by the Maxhütte have actually shattered like glass when dumped from railroad cars, and that cracks and splits developed during welding and riveting. It was ascertained that the impact resistance (Kerbzähigkeit) of the steel was considerably below standard and that the nitrogen and phosphorus content was too high. Steel beams sent to Russia as reparations were
spots, necessitating replacement of those sections. A new steel crane had to be completely overhauled, and most of the parts replaced.
2. A conference was held at Maxhütte, Unterwellenborn, on 14 March 1949 to decide what should be done about this situation. Representatives of the SMA, the DWK, Bleichert-Leipzig, and of plants in Hennigsdorf, Hettstedt, Ammendorf, Coswig and other steel-using firms, as well as Professor Maurer and Jesnitzer from Freiberg, were present. It was finally decided to set up a commission for classifying the various steels produced in the zone. In the future no steel from the Maxhütte would be used in products intended for shipment to the USSR.
3. The Hennecke movement has back-fired in the iron and steel industry; SAGs and People's Factories (VEBs) have reported that their rejects have risen to as much as 50% of the total production. The new emphasis is to be on quality rather than quantity.

This document is hereby regraded to
CONFIDENTIAL in accordance with the
letter of 16 October 1978 from the
Director of Central Intelligence to the
Archivist of the United States.

Next Review Date: 2008

CONFIDENTIAL

Document No. **587**
 NO CHANGE in Class. ☐
 DECLASSIFIED
 Class. CHANGED TO: TS S C
 EDD Memo, 4 Apr 77
 Auth: BRA REG 77 1763 25X1
 Date: 18 MAY 1978 By: [redacted]

~~CLASSIFICATION~~ ~~CONFIDENTIAL~~
Approved For Release 2003/08/11 : CIA-RDP82-00457R002700210007-6

STATE #	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	NSRB		DISTRIBUTION				
ARMY #	<input checked="" type="checkbox"/>	AIR #	<input checked="" type="checkbox"/>	FBI						